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Definition of the Term ‘Fiduciary’; Conflict of Interest Rule—Retirement Investment Advice; Notice of proposed rulemaking and withdrawal of previous proposed rule.

Comment On: EBSA-2010-0050-0204

Definition of the Term Fiduciary; Conflict of Interest Rule- Retirement Investment Advice

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General Comment

In re Docket ID: EBSA-2010-0050

Agency: Employee Benefits Security Administration (EBSA)

Parent Agency: Department of Labor (DOL)

In re the above, I am not so concerned about the Term Fiduciary, but about the following in particular. I understand that one of the details being considered could involve a ban on trading stock options in IRA accounts. Please note the following:

I have studied options extensively and with extensive experience both within and outside of retirement accounts. Used appropriately I can reduce the risk in my IRA by selling Calls on existing stock positions, which if not assigned increases the income in the account, and if assigned reduces risk because it reduces purchase price. These are valuable and legitimate uses of call options in a retirement account.

Further, while I have not asked for Tier two approval in my IRA, I could with such, also reduce risk by selling Puts on stocks I want to own, which if not assigned also generate extra income in the account, and if called reduces risk by reducing the purchase price at which I purchase the security.

These are both legitimate and conservative use of option to increase income and/or reduce risk in an IRA securities portfolio. Purchasing Puts to hedge an existing position is also a conservative strategy, which if used skillfully can reduce risk in a portfolio.

These have nothing to do with purchase of Calls or Puts as speculative investments; they are excellent

conservative strategies when used in skilled hands.

Banning the use of options altogether in IRA accounts would only serve to reduce legitimate risk management strategies available to knowledgeable and active investors. It would serve no purpose but exclude the use of the skilled strategies described above and would have the tragic and counterproductive effect of reducing risk management capacity in retirement accounts. PLEASE STRIKE ALL POTENTIAL RULES WHICH WOULD EXCLUDE THE USE OF OPTIONS IN IRA ACCOUNTS.